MEMORANDUM FOR THE RECORD

SUBJECT: Lunch with Hoover, Ladd, DeLoach, Smith, Dulles, Wyman and Kirkpatrick

- l. General Smith stated that the purpose of the luncheon was to try and work out a method whereby there could be closer cooperation. He said that he realized there had been misunderstandings in the past and thought that a large number of them were the result of personalities rather than any question in policy. He stated that he recognized the need for legal attaches abroad to handle criminal matters and matters involving the violations of U.S. laws and welcomed their presence, and would be delighted to have Mr. Hoover put as many as he desired in the field. He stressed the need for close coordination between these individuals and ours and pointed out the dangers of foreign intelligence services playing us off against each other. He pointed out that CIA needed some of the material obtained by the FBI to pass to foreign intelligence services as quid pro quo.
- The Director then reviewed orally with Mr. Hoover the summary and the study that had been prepared for him and stated that, while the study had been prepared for himself, he wanted to hand it to Mr. Hoover as an agenda for future discussions. Mr. Hoover said that the proposals all seemed very reasonable and that he was particularly anxious to get together with General Smith periodically, at least once a month if not more often, for informal chats over lunch or dinner. He said further that he thought that all the details of the relations between the two agencies could be worked out by Mr. Ladd and Mr. Kirkpatrick. The Director then raised the question of membership on the IIC and said that he thought that CIA should sit as an observer on this body. Mr. Hoover replied that he thought this matter had been settled and that it had been agreed that CIA would be asked to sit whenever matters affecting it were concerned. Mr. Dulles said that he believed it would be very valuable for CIA to listen in on the committee's discussion of communism in the United States. Mr. Hoover countered by pointing out that a considerable part of the IIC discussions were procedural and not substantive. General Smith said that the relations of CIA to the IIC would be like those of the FBI to the IAC where Keay sat and did little but listen.
- 3. The Director mentioned that he realized that the FBI might be concerned over CIA security. He pointed out that he had not understood the demands of the operators for compartmentalization when he first arrived, but now recognized its necessity and that the FBI could be certain that its material would be handled with the greatest of care. The Director stated that he regretted the incident and that he thought the FBI had acted admirably Approved For Release 2003/06/04 CIA-RDP80R01731R002900 430040-4

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that the CIA would like to be kept informed. Mr. Hoover said that he thought a large part of the difficulties stemmed from the ambassador and that he hoped in the future our representatives would work out matters between themselves and refer them to Washington rather than to a third party.

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YMAN B. KIRKPATRICK Deputy Assistant Director Special Operations